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July 17, 2020

By ECF and Email

The Honorable Paul G. Gardephe
United States District Judge
United States District Court
Southern District of New York
40 Foley Square
New York, New York 10007

Re: SEC v. John A. Paulsen, 18-CV-6718 (PGG) (SDNY)

Dear Judge Gardephe:

In connection with moving to admit Defendant's Exhibit EEE, Andrew Rochat's declaration (annexed hereto as Exhibit A), with respect to Paragraph 20, I respectfully submit that the following testimony in evidence sufficiently lays a foundation:

- Deborah Kelley Trial Testimony, Tr. 113:15-115:03 (annexed hereto as Exhibit B)
- Defense Exhibit TT, Declaration of John Paulsen, Paragraphs 12-13:

12. Sterne Agee instituted policies and procedures for obtaining preapproval for client visits and entertainment. I was provided with a Travel and Entertainment Policy at Sterne Agee, which contained those policies and procedures. That Travel and Entertainment Policy is marked Defense Exhibit YY. According to the Policy, "[e]ntertainment is a customary and important part of a business relationship. Pre-approval for events is not intended to be a hinderance to this activity. Rather, it is a way to make sure that entertainment resources are used effectively." D. Ex. YY at 3.

13. For larger client entertainment activities, the general procedure was for a salesperson to get approval from the Head of Sales, Jon Walker. After the salesperson obtained approval for a client entertainment event, the salesperson would generally invite a trader or research analyst or a group of traders and research analysts to attend. If I

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understood from a salesperson that a client entertainment event had been approved by Jon, I would be comfortable attending that event. In my mind, Jon's approval would mean that the event had been reviewed and vetted and was within Sterne Agee's guidelines.

- Plaintiff's Exhibit 14, Declaration of Deborah Kelley, Paragraph 32:

32. I sought and received pre-approval for the ski trip from my supervisor, Jon Walker, who was Sterne's Head of Fixed Income Sales.

Respectfully,

/s/ Eric M. Creizman
Eric M. Creizman

cc: Alyssa Qualls, Esq., John Birkenheier, Esq., Brian Fagel, Esq., Eric Celauro, Esq. (by ECF).